NATIONAL DEBT EXCHANGE

Investor Q&A

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I. Basic Process Questions

Why is GoJ proposing this transaction?

Our present debt structure and fiscal stance are not sustainable. Less spending, increased revenue, and reduced debt cost are essential elements to putting our debt on a sustainable path. All of these items play a role in our program.

This transaction allows us to lower the cost of our debt service and extend maturity to lower refinancing risk.

What is the timeline for the transaction?

Launch February 12th
Expiration February 21st
Expected Announcement of results / Settlement February 22nd

Where may I find more information about this offering?

All materials regarding this transaction will be available on the Ministry of Finance and Planning website. (www.mof.gov.jm).

Additionally, we encourage everyone to contact their broker/dealer with any specific questions they may have.

How big will the transaction be?

Approximately J$860 billion, or the full amount of marketable domestic debt of the GoJ.

What instruments are being exchanged in this transaction?

Locally issued bonds denominated in J$ including Fixed Rate (FR), Variable Rate (VR), and CPI indexed bonds, as well as locally issued bonds denominated in US$.

Who is eligible to participate?

Jamaican residents who hold domestic debt.

What are the new instruments?

New locally issued bonds in FR, VR, CPI-indexed and USD format. Additionally, a new bond (called a "FRAN") with an accreting amortization structure, is included. New 1 Year bonds in J$ and US$ will be available to smaller holders owning VR, FR and US$ Notes maturing in 2013 & 2014 who may opt for New Retail Notes.

What is the FRAN and how does it work?

Holders who choose the FRAN (Fixed Rate Accreting Note) will receive $80 principal for $100 exchanged, and the interest rate will be fixed at 10% on the then principal of the note. The principal of the notes will accrete or grow to $100 over the life of the note, and at maturity will pay out $100.

Starting in August 2015, the principal accretes at 0.50% per 6 Months until 2021; 1.00% per 6 Months until 2027; 1.50% accretion per 6 Months until Maturity.

This instrument was designed for use by certain state-owned companies, and is not expected to generally appeal to investors given the complex structure.

Why should I accept this transaction and what if I don't accept the transaction?

No transaction will mean no international support, and everyone is much worse off.

What consideration do I receive in the exchange offer?

It is par-for-par. Each $J100 of Old Bonds will be exchanged for $J100 New Bonds. There will be no reduction in the principal.

In the case of the FRAN, you would receive only $80 FRAN for each $100 of old Notes.

If you exchange US$100 bonds for the new CPI-indexed 2040 bond, you will receive the equivalent J$ value of the new bonds using the J$/US$ exchange rate announced on February 20, 2013.

II. IMF Program and Multilateral Support Questions

What are the allowed usages of any Funds from the IMF?

We need the IMF funds for Balance of Payments support and reserve buffers. In addition, achieving an IMF programme will also unlock additional international support for low cost budget funding.

What is the conditionality of the support with regard to debt exchange offer?

Without a successful exchange offer there will be no IMF Programme.

How can we be sure the GoJ will stay on track with this program?

Three mechanisms will be used to ensure that this Programme stays on track:

1) Enhanced targeting and front-loaded deliverables in Programme design.
2) Establishment of a Programme Compliance Office in the Ministry of Finance.
3) Establishment of an Oversight Committee with representatives from major creditors, the private sector, and the trade unions.

How can the program keep on track if a hurricane hits?

The program builds in a buffer of reserves to help us manage through a crisis.

III. Exchange Offer Technical Questions – Structure and Strategy

Why do 100% of bondholders need to accept the transaction?

Without reaching this target we will not meet cost savings targets required by the IMF.

What will you do if some investors don't come in?

We expect virtually all holders to accept the transaction based upon the community interest in achieving the shared benefits. We will actively address non-participation if there is any.

Exchange Offer Technical Questions – Submission and Settlement and Repos

How do I accept the offer?

Submissions will be made electronically at www.bondcom.com/jamaica .

If you are an individual holder, please contact your bank, broker, or other party with whom you hold your bonds. They will assist you in participating.

If you are a Dealer, Bank, and other Financial Institution with Principal Accounts in JamClear-CSD, you will participate via the transaction website: www.bondcom.com/jamaica

If you hold a Principal Account, you should receive an e-mail from Bank of Jamaica/JamClear-CSD which contains your User I.D. (this User I.D. will be the same as your e-mail address), a discrete password, and the link to the Offer Website where you can submit your Direct Participant Offer. Full instructions will be provided on this website.

When will the transaction settle?

February 22nd, 2013

I am counterparty of a Repo. Can I participate and how will that work?

Counterparties who have agreed to repurchase bonds in the future will be eligible to accept the transaction.

Please see Section 3.22 of the Information Memorandum for details.

Why wasn't the external debt included?

We need the external markets to rapidly reopen for ourselves and other agents in the economy.

We plan to actively manage our external bonds going forward.

The international credit ratings agencies could call this transaction a Selective Default. What will you do about this?

It is expected that certain international credit rating agencies will temporarily assign an SD Selective Default rating to our instruments as a result of this domestic exchange offer. This SD rating would be expected to be released following the closing of the transaction.

This transaction is not a default of any kind. All investors will receive an equal principal of new bonds and be paid accrued interest.

The IMF Programme and our debt reduction activities will set the stage for credit rating upgrades in the future as our debt falls and surplus increases.